

By: Kolkhorst, Raymond

H.B. No. 3556

A BILL TO BE ENTITLED

AN ACT

relating to the licensing and regulation of emergency medical services providers and a moratorium on the issuance of emergency medical services provider licenses.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 773.0571, Health and Safety Code, is amended to read as follows:

Sec. 773.0571. REQUIREMENTS FOR PROVIDER LICENSE. The department shall issue to an emergency medical services provider applicant a license that is valid for two years if the department is satisfied that:

(1) the applicant [~~emergency medical services provider~~] has adequate staff to meet the staffing standards prescribed by this chapter and the rules adopted under this chapter;

(2) each emergency medical services vehicle is adequately constructed, equipped, maintained, and operated to render basic or advanced life support services safely and efficiently;

(3) the applicant [~~emergency medical services provider~~] offers safe and efficient services for emergency prehospital care and transportation of patients; [~~and~~]

(4) the applicant:

(A) possesses sufficient professional experience

1 and qualifications to provide emergency medical services; and

2 (B) has not been excluded from participation in  
3 the state Medicaid program;

4 (5) the applicant holds a letter of approval issued  
5 under Section 773.0573 by the governing body of the municipality or  
6 the commissioners court of the county in which the applicant is  
7 located and is applying to provide emergency medical services, as  
8 applicable; and

9 (6) the applicant [~~emergency medical services~~  
10 ~~provider~~] complies with the rules adopted [~~by the board~~] under this  
11 chapter.

12 SECTION 2. Subchapter C, Chapter 773, Health and Safety  
13 Code, is amended by adding Sections 773.05711, 773.05712, and  
14 773.05713 to read as follows:

15 Sec. 773.05711. ADDITIONAL EMERGENCY MEDICAL SERVICES  
16 PROVIDER LICENSE REQUIREMENTS. (a) In addition to the  
17 requirements for obtaining or renewing an emergency medical  
18 services provider license under this subchapter, a person who  
19 applies for a license or for a renewal of a license must:

20 (1) provide the department with a letter of credit  
21 issued by a federally insured bank or savings institution in the  
22 amount of:

23 (A) \$100,000 for the initial license and for  
24 renewal of the license on the second anniversary of the date the  
25 initial license is issued;

26 (B) \$75,000 for renewal of the license on the  
27 fourth anniversary of the date the initial license is issued;

1           (C) \$50,000 for renewal of the license on the  
2 sixth anniversary of the date the initial license is issued; and

3           (D) \$25,000 for renewal of the license on the  
4 eighth anniversary of the date the initial license is issued and  
5 each subsequent renewal;

6           (2) provide the department with a surety bond in the  
7 amount of:

8           (A) \$50,000 for the initial license and for  
9 renewal of the license on the second anniversary of the date the  
10 initial license is issued;

11           (B) \$25,000 for renewal of the license on the  
12 fourth anniversary of the date the initial license is issued; and

13           (C) \$10,000 for renewal of the license on the  
14 sixth anniversary of the date the initial license is issued and each  
15 subsequent renewal; and

16           (3) submit for approval by the department the name and  
17 contact information of the provider's administrator of record who  
18 satisfies the requirements under Section 773.05712.

19           (b) An emergency medical services provider that is directly  
20 operated by a governmental entity is exempt from this section.

21           Sec. 773.05712. ADMINISTRATOR OF RECORD. (a) The  
22 administrator of record for an emergency medical services provider  
23 licensed under this subchapter:

24           (1) may not be employed or otherwise compensated by  
25 another private for-profit emergency medical services provider;

26           (2) must meet the qualifications required for an  
27 emergency medical technician or other health care professional

1 license or certification issued by this state; and

2 (3) must submit to a criminal history record check at  
3 the applicant's expense.

4 (b) Section 773.0415 does not apply to information an  
5 administrator of record is required to provide under this section.

6 (c) An administrator of record initially approved by the  
7 department may be required to complete an education course for new  
8 administrators of record. The executive commissioner shall  
9 recognize, prepare, or administer the education course for new  
10 administrators of record, which must include information about the  
11 laws and department rules that affect emergency medical services  
12 providers.

13 (d) An administrator of record approved by the department  
14 under Section 773.05711(a) annually must complete at least eight  
15 hours of continuing education following initial approval. The  
16 executive commissioner shall recognize, prepare, or administer  
17 continuing education programs for administrators of record, which  
18 must include information about changes in law and department rules  
19 that affect emergency medical services providers.

20 (e) An emergency medical services provider that is directly  
21 operated by a governmental entity is exempt from this section.

22 Sec. 773.05713. REPORT TO LEGISLATURE. Not later than  
23 December 1 of each even-numbered year, the department shall  
24 electronically submit a report to the lieutenant governor, the  
25 speaker of the house of representatives, and the standing  
26 committees of the house and senate with jurisdiction over the  
27 department on the effect of Sections 773.05711 and 773.05712 that

1 includes:

2 (1) the total number of applications for emergency  
3 medical services provider licenses submitted to the department and  
4 the number of applications for which licenses were issued or  
5 licenses were denied by the department;

6 (2) the number of emergency medical services provider  
7 licenses that were suspended or revoked by the department for  
8 violations of those sections and a description of the types of  
9 violations that led to the license suspension or revocation;

10 (3) the number of occurrences and types of fraud  
11 committed by licensed emergency medical services providers related  
12 to those sections;

13 (4) the number of complaints made against licensed  
14 emergency medical services providers for violations of those  
15 sections and a description of the types of complaints; and

16 (5) the status of any coordination efforts of the  
17 department and the Texas Medical Board related to those sections.

18 SECTION 3. Subchapter C, Chapter 773, Health and Safety  
19 Code, is amended by adding Section 773.0573 to read as follows:

20 Sec. 773.0573. LETTER OF APPROVAL FROM LOCAL GOVERNMENTAL  
21 ENTITY. (a) An emergency medical services provider applicant must  
22 obtain a letter of approval from:

23 (1) the governing body of the municipality in which  
24 the applicant is located and is applying to provide emergency  
25 medical services; or

26 (2) if the applicant is not located in a municipality,  
27 the commissioners court of the county in which the applicant is

1 located and is applying to provide emergency medical services.

2 (b) A governing body of a municipality or a commissioners  
3 court of a county may issue a letter of approval to an emergency  
4 medical services provider applicant who is applying to provide  
5 emergency medical services in the municipality or county only if  
6 the governing body or commissioners court determines that:

7 (1) the addition of another licensed emergency medical  
8 services provider will not interfere with or adversely affect the  
9 provision of emergency medical services by the licensed emergency  
10 medical services providers operating in the municipality or county;

11 (2) the addition of another licensed emergency medical  
12 services provider will remedy an existing provider shortage that  
13 cannot be resolved through the use of the licensed emergency  
14 medical services providers operating in the municipality or county;  
15 and

16 (3) the addition of another licensed emergency medical  
17 services provider will not cause an oversupply of licensed  
18 emergency medical services providers in the municipality or county.

19 (c) An emergency medical services provider is prohibited  
20 from expanding operations to or stationing any emergency medical  
21 services vehicles in a municipality or county other than the  
22 municipality or county from which the provider obtained the letter  
23 of approval under this section until after the second anniversary  
24 of the date the provider's initial license was issued, unless the  
25 expansion or stationing occurs in connection with:

26 (1) a contract awarded by another municipality or  
27 county for the provision of emergency medical services;

1           (2) an emergency response made in connection with an  
2 existing mutual aid agreement; or

3           (3) an activation of a statewide emergency or disaster  
4 response by the department.

5           (d) This section does not apply to:

6           (1) renewal of an emergency medical services provider  
7 license; or

8           (2) a municipality, county, emergency services  
9 district, hospital, or emergency medical services volunteer  
10 provider organization in this state that applies for an emergency  
11 medical services provider license.

12           SECTION 4. Subchapter C, Chapter 773, Health and Safety  
13 Code, is amended by adding Section 773.06141 to read as follows:

14           Sec. 773.06141. SUSPENSION, REVOCATION, OR DENIAL OF  
15 EMERGENCY MEDICAL SERVICES PROVIDER LICENSE. The commissioner may  
16 suspend, revoke, or deny an emergency medical services provider  
17 license on the grounds that the provider's administrator of record,  
18 employee, or other representative:

19           (1) has been convicted of, or placed on deferred  
20 adjudication community supervision or deferred disposition for, an  
21 offense that directly relates to the duties and responsibilities of  
22 the administrator, employee, or representative, other than an  
23 offense for which points are assigned under Section 708.052,  
24 Transportation Code;

25           (2) has been convicted of or placed on deferred  
26 adjudication community supervision or deferred disposition for an  
27 offense, including:

1                   (A) an offense listed in Sections 3g(a)(1)(A)  
2 through (H), Article 42.12, Code of Criminal Procedure; or

3                   (B) an offense, other than an offense described  
4 by Subdivision (1), for which the person is subject to registration  
5 under Chapter 62, Code of Criminal Procedure; or

6                   (3) has been convicted of Medicare or Medicaid fraud,  
7 has been excluded from participation in the state Medicaid program,  
8 or has a hold on payment for reimbursement under the state Medicaid  
9 program under Subchapter C, Chapter 531, Government Code.

10           SECTION 5. Notwithstanding Chapter 773, Health and Safety  
11 Code, as amended by this Act, the Department of State Health  
12 Services may not issue any new emergency medical services provider  
13 licenses for the period beginning on September 1, 2013, and ending  
14 on February 28, 2015. The moratorium does not apply to the issuance  
15 of an emergency medical services provider license to a  
16 municipality, county, emergency services district, hospital, or  
17 emergency medical services volunteer provider organization in this  
18 state, or to an emergency medical services provider applicant who  
19 is applying to provide services in response to 9-1-1 calls and is  
20 located in a rural area, as that term is defined in Section  
21 773.0045, Health and Safety Code.

22           SECTION 6. Section 773.0571, Health and Safety Code, as  
23 amended by this Act, and Section 773.0573, Health and Safety Code,  
24 as added by this Act, apply only to an application for approval of  
25 an emergency medical services provider license submitted to the  
26 Department of State Health Services on or after the effective date  
27 of this Act. An application submitted before the effective date of

1 this Act is governed by the law in effect immediately before the  
2 effective date of this Act, and that law is continued in effect for  
3 that purpose.

4         SECTION 7. The change in law made by this Act applies only  
5 to an application for approval or renewal of an emergency medical  
6 services provider license submitted to the Department of State  
7 Health Services on or after the effective date of this Act. An  
8 application submitted before the effective date of this Act is  
9 governed by the law in effect immediately before the effective date  
10 of this Act, and that law is continued in effect for that purpose.

11         SECTION 8. This Act takes effect September 1, 2013.